



PUBLIC NOTICE

Federal Communications Commission
1919 M St., N.W.
Washington, D.C. 20554

News media information 202 / 418-0500
Fax-On-Demand 202 / 418-2830
Internet: <http://www.fcc.gov>
<ftp.fcc.gov>

DA 98-2468
Released: December 4, 1998

RURAL HEALTH CARE CORPORATION REQUEST FOR EXTENSION OF INITIAL FUNDING YEAR

PLEADING CYCLE ESTABLISHED

CC Docket No. 96-45

Comment Date: December 14, 1998

On May 8, 1997, the Federal Communications Commission ("Commission") released an Order which, among other things, established the federal universal service support mechanisms for schools, libraries, and rural health care providers.¹ In the *Universal Service Order*, the

¹ *Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, Report and Order, 12 FCC Rcd 8776 (1997) (*Universal Service Order*), as corrected by *Federal-State Joint Board on Universal Service, Errata*, CC Docket No. 96-45, FCC 97-157 (rel. June 4, 1997), *consolidated appeal pending sub nom Texas Office of Public Utility Counsel v. FCC and USA*, No. 97-60421 (5th Cir. 1997); *Federal-State Joint Board on Universal Service*, Order on Reconsideration, CC Docket No. 96-45, 12 FCC Rcd 10095 (rel. July 10, 1997); *Changes to the Board of Directors of the National Exchange Carrier Association Inc.*, *Federal-State Joint Board on Universal Service*, CC Docket Nos. 97-21, 96-45, Report and Order and Second Order on Reconsideration, 12 FCC Rcd 18400 (1997), as corrected by *Federal-State Joint Board on Universal Service, Errata*, CC Docket No. 96-45, DA 97-2477 (rel. Dec. 3, 1997); *Changes to the Board of Directors of the National Exchange Carrier Association Inc.*, *Federal-State Joint Board on Universal Service*, CC Docket Nos. 97-21, 96-45, Order on Reconsideration, Second Report and Order and Further Notice of Proposed Rulemaking, 12 FCC Rcd 12444 (1997); *Federal-State Joint Board on Universal Service*, CC Docket Nos. 96-45, 97-160, Third Report and Order, 12 FCC Rcd 22485 (1997), as corrected by *Federal-State Joint Board on Universal Service, Erratum*, CC Docket Nos. 96-45 and 97-160 (rel. Oct. 15, 1997); *Changes to the Board of Directors of the National Exchange Carrier Association, Inc.*, *Federal-State Joint Board on Universal Service*, CC Docket No. 97-21, Report and Order and Second Order on Reconsideration in CC Docket 97-21, 12 FCC Rcd 22423 (1997); *Federal-State Joint Board on Universal Service*, CC Docket No. 96-24, Third Order on Reconsideration, 12 FCC Rcd 22801 (1997); *Federal-State Joint Board on Universal Service, Access Charge Reform, Price Cap Performance Review for Local Exchange Carriers, Transport Rate Structure and Pricing, End User Common Line Charge*, CC Docket Nos. 96-45, 96-262, 94-1, 91-213, 95-72, Fourth Order on Reconsideration, 13 FCC Rcd 5318 (1997), as corrected by *Federal-State Joint Board on Universal Service, Errata*, CC Docket Nos. 96-45, 96-262, 94-1, 91-213, 95-72, DA 98-158 (rel. Jan 29, 1998), *appeal pending in Alenco Communications, Inc., et al. v. FCC and USA*, No. 98-60213 (5th Cir. 1998); *Federal-State Joint Board on Universal Service*, Fifth Order on Reconsideration and Fourth Report and Order in CC Docket No. 96-45, FCC 98-120 (rel. June 22, 1998); *Federal-State Joint Board on Universal Service*, Order

Commission concluded that the funding year for the schools and libraries and the rural health care support mechanisms would be the calendar year.² Rural health care providers are required to reapply for universal service support each year.³ In the *Fifth Order on Reconsideration and Fourth Report and Order*, the Commission reconsidered its decision regarding the funding year for the schools and libraries universal service support mechanism.⁴ The Commission concluded that it is in the public interest to change the funding year for the schools and libraries universal service support mechanism from a calendar year cycle (January 1 - December 31) to a fiscal year cycle (July 1 - June 30).⁵ In order to accommodate the transition to a fiscal year funding cycle, the Commission established the first funding period as the 18-month period that runs from January 1, 1998 through June 30, 1999.⁶ The Commission did not address changes to the funding year for the rural health care support mechanism in the *Fifth Order on Reconsideration and Fourth Report and Order*.

The Rural Health Care Corporation (RHCC) submitted 2 letters requesting that the Commission extend until June 30, 1999, the initial funding cycle for the rural health care universal service support mechanism, and make the funding cycle consistent with that of the schools and libraries support mechanism.⁷ RHCC states that this extension is necessary to allow the current applicants to conclude negotiations with the telecommunications service providers, and take advantage of the time already invested in participating in the application process.⁸ RHCC further explains that granting the extension is advantageous because it would provide RHCC and the Commission with additional time to implement changes to improve operations.⁹ We seek comment on RHCC's requested extension, as well as on whether the Commission should change the funding year for the rural health care support mechanism from a calendar year cycle (January 1 - December 31) to a fiscal year cycle (July 1 - June 30).

Parties wishing to comment on these issues are directed to file the comments on or before

and Order on Reconsideration, CC Docket No. 96-45, FCC 98-160 (rel. July 17, 1998).

² *Universal Service Order*, 12 FCC Rcd at 9057, para. 535; *id.* at 9143, para. 710.

³ *Id.* at 9144, para. 712.

⁴ *Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, Fifth Order on Reconsideration and Fourth Report and Order, 13 FCC Rcd. 14915 (1998) (*Fifth Order on Reconsideration and Fourth Report and Order*).

⁵ *Id.*

⁶ *Id.* at 14920, para. 8.

⁷ Letter from Lee E. Bailey, President, RHCC, to Kathryn Brown, Chief, Common Carrier Bureau, dated October 20, 1998; letter from Lee E. Bailey, President, RHCC, to Kathryn Brown, Chief, Common Carrier Bureau, dated October 28, 1998; *see also* letter from Robert Haga, Attorney, Universal Service Administrative Co., to Magalie Roman Salas, Secretary, Federal Communications Commission, dated October 27, 1998.

⁸ *Id.*

⁹ *Id.*

December 14, 1998, in accordance with section 1.415 of the Commission's rules, 47 C.F.R. § 1.415, and the procedures set forth below.

Procedure for Filing

All filings should reference: Rural Health Care Corporation Request for Extension of Initial Funding Year, CC Docket No. 96-45, and should include the DA number shown on this Public Notice. Interested parties must file an original and six copies of their comments with the Office of Secretary, Federal Communications Commission, 445 Twelfth Street, S.W., Room TW-A325, Washington, D.C. 20554. Parties should send three copies of their comments to Sheryl Todd, Common Carrier Bureau, Federal Communications Commission, 2100 M. St, N.W., 8th Floor, Washington, D.C. 20554. Parties should send one copy of their comments to the Commission's copy contractor, International Transcription Service, 1231 20th Street, N.W., Washington, D.C. 20036. Copies of documents filed with the Commission, including the Rural Health Care Corporation Request for Extension of Initial Funding Year, may be obtained from the International Transcription Service, 1231 20th Street, N.W., Washington, D.C. 20036, (202) 857-3800. Documents are also available for review and copying at the FCC Reference Center, FCC Reference Center, 445 Twelfth Street, S.W., Room TW-A325, Washington, D.C. 20554, from 9:00 a.m. to 4:30 p.m.

Parties may also file comments electronically via the Internet at:

<<http://www.fcc.gov/e-file/ecfs.html>>. Only one copy of an electronic submission must be submitted. In completing the transmittal screen, commenters should include their full name, Postal Service mailing address, and the lead docket number for this proceeding, which is Docket No. 96-45. Parties not submitting their comments via the Internet are also asked to submit their comments on diskette. Parties submitting diskettes should submit them to Sheryl Todd at the address noted above. Such a submission should be on a 3.5 inch diskette formatted in an IBM compatible format using WordPerfect 5.1 for Windows or compatible software. The diskette should be accompanied by a cover letter and should be submitted in "read only" mode. The diskette should be clearly labelled with the party's name, proceeding (including the lead docket number in this case, Docket No. 96-45, type of pleading (comment or reply comment)), date of submission, and the name of the electronic file on the diskette. Each diskette should contain only one party's pleadings, preferably in a single electronic file. In addition, parties must send copies to the Commission's copy contractor, International Transcription Service, Inc., 1231 20th Street, N.W., Washington, D.C. 20036.

Pursuant to section 1.1206 of the Commission's rules, 47 C.F.R. § 1.1206, this proceeding will be conducted as a permit-but-disclose proceeding in which *ex parte* communications are permitted subject to disclosure.

For further information, contact Sheryl Todd or Linda P. Armstrong, Accounting Policy Division, Common Carrier Bureau at (202) 418-7400, TTY (202) 418-0484, or via e-mail: stodd@fcc.gov or larmstro@fcc.gov.

-- Action by Accounting Policy Division --